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## CONFIDENTIAL SEOUL 001153

SIPDIS

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TAGS: PGOV PREL PINR KS KN

SUBJECT: PROTESTS CONTINUE AS BLUE HOUSE STRUGGLES TO FIND SOLUTION

REF: SEOUL 01145

Classified By: POL Joseph Y. Yun. Reasons 1.4 (b,d).

(C) Summary: Throughout the June 6-8 holiday weekend, protesters continued to call for a renegotiation of the agreement to reopen the Korean market to U.S. beef, a ban on imports of beef from cattle over 30-months-old, and President Lee Myung-bak's removal from office. The protests, which occasionally turned violent, seemed to avoid the anti-American overtones that were percolating just last week. That said, police had to use force to prevent aggressive crowds from marching on to the Blue House. Some -- notably former President Roh Moo-hyun -- have started to speak out against the protests, which show no signs of abating in the near future (police contacts note 9,000 are expected June 9 and several hundred thousand on June 10). The Blue House is preparing to replace a number of cabinet ministers and senior secretaries in an attempt to placate the public. Meanwhile, former Lee Myung-bak confidant Chung Doo-un publicly accused Blue House insiders of intentionally keeping the president in the dark on the beef issue. End Summary.

Protests: Carnival by Day, Mean Streets by Night

- $\P2$ . (SBU) In the evening on June 5, protesters, taking advantage of the holiday on Friday, began a 72-hour protest calling for a renegotiation of the U.S.-ROK agreement that lifts the ban on imports of U.S. beef. The protests were approximately the same size as previous protests -- police estimate around 40,000. By day, the demonstrations took on the air of a festival: families attended, music groups performed, and the women selling dried squid snacks made out like bandits. When the families went home, however, the violence started. About 8,800 protesters and thousands of police confronted each other at the Gwanghwamun intersection, which lies between the City Hall rallying point and the U.S. Embassy (and is also the main route to the Blue House). Protesters sprayed fire extinguishers and threw debris at police who responded with water canons. About 10 people suffered facial and head injuries in the clashes and 11 people were arrested for violence.
- 13. (SBU) Criticisms of the protesters has increased in the wake of the weekend's violent outbursts. Newspaper editorials have urged protesters to refrain from violent acts. The ROKG, of course, asked that the people "express their wishes in a legal and mature manner." Most notably,

former President Roh Moo-hyun has spoken out against the protests. Roh cautioned that even if the beef deal was wrong, it was unconstitutional and undemocratic to demand President Lee Myung-bak's removal from office, which has become a rallying cry. There have also been small, isolated "anti-candlelight" protests. What started out as one man in front of the Seoul Finance Center swelled to 10 protesters calling for an end to the vigils. These "anti-candlelight" protesters were not well-received by their compatriots. Despite these efforts, protests are scheduled to continue this week and will probably be particularly well attended on June 10 and June 13 (reftel).

## Impending Shuffle

- 14. (SBU) The Blue House is poised to reshuffle the cabinet and replace some senior secretaries in an attempt to appease the angry populace. Pundits expect Prime Minister Han Seung-soo and all of the cabinet ministers to tender their resignations as well to take responsibility for beef agreement. Press reports site Blue House sources who say that President Lee is expected to selectively accept the offers and replace half a dozen ministers involved in the beef deal, possibly including Foreign Minister Yu Myung-hwan, Agricultural Minister Chung Woon-chun, and Finance Minister Kang Man-soo.
- 15. (SBU) On Friday, senior secretaries to President Lee, including Chief of Staff Yu Woo-ik and Spokesman Lee Dong-kwan, offered to resign en masse, holding themselves

responsible for the escalating dispute over the beef deal. Lee is expected to replace Yu and several senior secretaries, including Kim Byong-kook, senior presidential secretary in charge of foreign policy.

## You Bite My Back, I'll Bite Yours

- 16. (SBU) On June 7 former Lee Myung-bak confidant Chung Doo-un told the Chosun Newspaper that President Lee Myung-bak has been kept in the dark by his aides, which is why he has had such a weak grasp of the public backlash over the beef deal. Chung accused three presidential aides and one lawmaker of deceiving the president and abusing their authority. The most powerful of the four, Chung alleged, was Park Young-joon, the president's planning and coordination secretary. Park called Chung's claims "groundless" and accused him of "character assassination." Press reports speculate that the unnamed lawmaker Chung referred to was Lee Sang-deuk, Lee Myung-bak's older brother.
- 17. (C) Chung's allegations come at a politically sensitive time; President Lee's approval ratings are at 17 percent. On June 8, senior lawmaker Kim Moo-sung told poloff that Chung made the statement because he is bitter. He was a close Lee advisor throughout the campaign and feels that he has been sidelined by the very people he is now accusing. The Blue House is furious because it makes the staff look bad and Lee Myung-bak look incompetent. Kim also told poloff that he had advised Park Geun-hye not to take the Prime Minister position if offered again because she has nothing to gain. (NOTE: Some speculate that Lee will accept Han Seung-soo's resignation and ask Park Geun-hye to take his place. END NOTE) Kim said he had previously advised her to stay quiet on the beef issue -- she disregarded this advice when she demanded renegotiation a few weeks ago. Since then, however, she has been silent on the matter.

## COMMENT

18. (C) When Lee Myung-bak's only public defender is former President and political pariah Roh Moo-hyun, one has to

wonder if Lee can slip any lower. Time will tell. For now, a house cleaning might help defuse the beef controversy, but questions about Lee's leadership remain. He may still be able to make progress on policy issues, especially with the help of a conservative-dominated assembly; even Roh Moo-hyun at the height of his unpopularity managed to push through some important initiatives. The strength of the executive branch and the conservative leaning of a majority of Koreans should allow Lee, in time, to recover some of his lost popularity. For now, Lee Myung-bak is a crippled president. VERSHBOW